

FISCAL NOTE

TO: Chief Clerk of the Senate
Chief Clerk of the House

FROM: James A. Davenport, Executive Director

DATE: February 28, 1996

SUBJECT: **SB 2496 - HB 3011**

This bill, if enacted, will permit cities or counties to adjust their certified rates to account for estimated reductions in values by the county board of equalization, if taxes will become due before the county board is finished for the year. The State Board of Equalization is given authority to promulgate rules for making the estimate.

The fiscal impact on local governments from enactment of this bill in and of itself is estimated to be minimal since the provisions of the bill are permissive.

The fiscal impact from enactment of this bill is estimated to be an increase in local government revenues to the extent that local governments adjust their certified rates. Such increase is estimated to be \$22,500,000 beginning in 1997. The majority of the increase would accrue in Shelby County. Such an increase could take place in each reappraisal year thereafter (every fourth year). This impact assumes that the certified rate is allowed to be adjusted for projected assessment losses due to appeals (approximately 5%). It also assumes a projected total property tax levy of \$300,000,000 for 1997.

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James A. Davenport". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

James A. Davenport, Executive Director